

kind can be found anywhere except in the elastic imagination of the honourable senator. This Bill has no more relation to the Bank of England than it has to the Bank of France. I do not know on what ground it is said that Mr. Montagu Norman is going to control the Bank of Canada. My honourable friend says that Mr. Norman advised Canada to have a Central Bank. From the way my honourable friend stated it I gathered that this advice was given hastily by Mr. Norman, on a dock in Quebec; by way of excuse for not attending a banquet. I hope any objections made by the honourable gentleman in future will be to what he finds in bills and thinks should not be there, rather than to something of horrible import which he admits is not there at all.

Hon. Mr. CASGRAIN: May I ask the right honourable leader a question? Is it not a fact that when members of another place expressed the desire that a Canadian should be appointed as Governor of the Bank of Canada they were told that this could not be done?

Right Hon. Mr. MEIGHEN: No, that is not a fact. When the honourable gentleman gets into a certain state of mind he can see confirmation not only in running brooks, but in imaginary brooks. It was stated in the other House that it would be unwise to restrict the appointment to Canadians, for the reason that every Canadian who had been prominently connected with banking in Canada had been canvassed and had refused to take the position. Everybody knows that the banks of this country have not looked with favourable eyes upon this proposition.

Hon. Mr. COPP: Has Sir John Aird refused?

Right Hon. Mr. MEIGHEN: I understood so. I got this information only second-hand. My understanding is that it was stated by the Prime Minister that every man who was or had been a general manager of a bank, or who was in any way at all eligible, had been conferred with, of course without being inferentially tendered the position, and all had stated distinctly they would have nothing to do with it. So I suppose Sir John Aird would be included.

Hon. Mr. COPP: Sir John Aird took exception to the statement that Canadians were not qualified for the position.

Right Hon. Mr. MEIGHEN: There may be Canadians qualified for the position, but it is not certain that there is a qualified Canadian who will accept it. It was further pointed

Right Hon. Mr. MEIGHEN.

out in the other House that any such restriction would have made it impossible to appoint such a man as Sir Edward Peacock, a Canadian who built up a splendid reputation in his native land and a greater one in England, who is familiar both through study and experience with banking conditions in both countries, and who in my opinion would be eminently qualified for the position. I ask the House what would be the sense in providing restrictions which would make the appointment of such a man impossible. I hope the honourable gentleman will not adhere to the view that the refusal to restrict appointments to Canadians indicates the new institution is a child of the Bank of England.

I will not pretend to answer this afternoon the question asked by the honourable senator who leads the other side (Hon. Mr. Dandurand), namely: Is there sufficient provision in the Bill to make certain that a competent body of directors will be obtained? He emphasizes the fact that no individual shareholder can hold more than a small portion of the bank's stock. Not more than fifty shares shall be held by any person other than the Minister, and shares may be purchased with a down payment of \$12.50 each. A shareholder who is the registered owner of ten shares is eligible for election as a director. The honourable gentleman's point, which is well worth study, is that the average shareholder will not have a sufficiently heavy investment in the bank to make it worth his while to see that only competent men are elected to the directorate. It is always a fact that men who have most at stake in a business give most attention to the operation of that business and are most careful to see that their treasure is in competent hands. Men who have very little at stake are ordinarily not likely to devote a great deal of consideration to such a matter.

If the Central Bank is not to be a Government institution, it must be in charge of men who own it. The Bill provides that directors shall be elected by the shareholders, but the men who will really run the bank and conduct its operations will be the Governor and the Deputy Governor. They must be specialists. The Governor and the Deputy Governor will at first be selected by the Governor in Council, and thereafter by the directors, but directors' choice will always be subject to the approval of the Governor in Council. That safeguard is a very important one. If it is argued that it is not sufficient, I shall welcome any suggestion for improving the Bill in this respect.